Office - Supreme Court, U. S.
FILED
AUG 16 1941
CHARLES ELMORE CROPLEY
CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1941

No. 233

FREDERIC H. PENN, DOING BUSINESS UNDER THE NAME AND STYLE OF SUPER-LITE COMPANY,
Petitioner,

vs.

NOVADEL-AGENE CORPORATION,
Respondent.

TEX-O-KAN FLOUR MILLS COMPANY,
Petitioner,

vs.

NOVADEL-AGENE CORPORATION,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO GRANT OF A WRIT OF CERTIORARI.

DRURY W. COOPER,
BRADY COLE,
LOREN N. WOOD,
Attorneys for Respondent.

Post Printing Company, Inc., 80 Lafayette Street, New York, N. Y.

SUBJECT MATTER INDEX.

	PAGE
Argument	1
1. The Single Issue	1
2. No Double Patenting	4
3. The Public Importance	10
Conclusion	11

TABLE OF AUTHORITIES.

Barbed Wire Patent, The, 143 U. S. 275 (1892)	9
Ex Parte Eagle, 1870 C. D. 137	5
Lion Fastener, Inc. v. *Hookless Fastener Co.*, 72 F. (2nd) 985 (3 C. C. A. 3rd, 1934)	5, 9
Miller v. *Eagle Manufacturing Company*, 151 U. S. 186 (1870)	7
Mumm v. *Jacob E. Decker & Sons*, 301 U. S. 168 (1937)	4
Naylor v. *Alsop Process Co.*, 168 F. 911 (1909)	5
Novadel Process Corporation v. *J. P. Meyer & Co.*, 35 F. (2nd) 697 (1929)	9
Patents, Inc. v. *Gillette Safety Razor Co.*, 28 F. Supp. 666, 670 (D. C. Del., 1939)	8
Patent Office Rule No. 41	5
Pyle Nat. Co. v. *Lewin*, 92 F. (2nd) 628 (C. C. A. 7th, 1937)	5, 9
Standard Brands v. *Federal Yeast Corporation*, 38 F. (2nd) 329 (D. C. Md., 1930)	8
Thomson-Houston Electric Co. v. *Ohio Brass Co.*, 80 F. 712, 726 (C. C. A. 6th, 1897)	7
Traitel Marble Co. v. *U. T. Hungerford Brass & Copper Co.*, 22 F. (2nd) 259 (C. C. A. 2nd, 1927)	7

IN THE

Supreme Court of the United States

OCTOBER TERM, 1941

No. 233

FREDERIC H. PENN, doing business under the name and style of SUPER-LITE COMPANY,
Petitioner,
vs.
NOVADEL-AGENE CORPORATION,
Respondent.

TEX-O-KAN FLOUR MILLS COMPANY,
Petitioner,
vs.
NOVADEL-AGENE CORPORATION,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO GRANT OF A WRIT OF CERTIORARI.

Argument.

1. The Single Issue.

The Petitioners in these cases request this Court to grant a writ of certiorari and review the defense of double patenting as applied to the Sutherland Patent at bar. In the final analysis, this is the only matter presented by their petition and supporting brief.

The defense of double patenting, though raised whimsically against Sutherland in several litigations, has never been sustained by any court and has been definitely rejected by two Circuit Courts of Appeals—not to mention District Courts. While reviewing this matter in the cases at bar, Judge McCord said for the Fifth Circuit Court of Appeals:

> "This issue of double patenting by Sutherland was tried and found in favor of the patentee over twelve years ago by the United States District Court for the Southern District of New York. This decision was affirmed by the Second Circuit Court of Appeals on November 4, 1929, *Novadel Process Corporation* v. *J. P. Meyer & Co.*, 35 F. 697. That court found, 'The inventor's two patents are for distinct subject matters'. It further upheld all the claims involved in the cases at bar.
>
> The worth and validity of the invention described in Patent No. 1,539,701 (to Sutherland) has been recognized and accepted by the trade for many years, and it is clear that Sutherland did make an invention of far reaching importance to the manufacturers of flour, meal, and other edible cereal products. Moreover, the presumption of validity arising from the issuance of the letters patent was greatly reinforced by the clear-cut decision of the Second Circuit Court of Appeals in the *Meyer* case, *supra*, which decision has stood the test of time for twelve years. The patent in suit has only one more year to run and we see no good reason for departing from the decision of the Second Circuit Court of Appeals and declaring the patent invalid at this late date." (R. 397-8).

There are, indeed, no reasons of any character for disturbing a judgment in favor of the Sutherland Patent. Infringement of this patent was *admitted* by both of the Petitioners in open court. (R. 61, 64, 122, 154). Validity was only questioned on the single ground of double patent-

ing,[1] already mentioned. This defense had been previously decided in favor of the patent as the result of litigation in the Second Circuit that involved parties with whom Petitioner Penn, who manufactures and sells to Petitioner Tex-O-Kan and furnishes instructions for infringement, has some type of privity;[2] *and Petitioners offered no new evidence.* So far as this particular defense was concerned, they did not present one syllable of testimony and did not offer any other evidence except the Sutherland Patents

---

[1] Sutherland also was challenged for a so-called failure to disclaim, but this defense constituted a subsidiary part of the defense of double patenting and necessarily fell with that defense. No question about disclaimers has been presented to this Court.

[2] Shortly after Novadel Process Corporation sued J. P. Meyer & Co. in New York, J. P. Meyer & Co. was supplanted by American Purifyne Co., which appeared as the real defendant and took the appeal to the Second Circuit Court of Appeals. One of the directors and moving factors in American Purifyne Company was Archie Gulbenkian; and he was naturally enjoined along with his company. Subsequently, Kerope Gulbenkian, who was a brother of Archie Gulbenkian and had an office with him in New York City, began to infringe (R. 56, 261-7). Kerope Gulbenkian attempted to justify his activities by reference to the fact that he owned or controlled a patent to Schotz; but the District Court for the Southern District of New York enjoined him from infringing Sutherland, as will appear from an opinion rendered by Judge Coxe (R. 255-7). Petitioner Penn has obtained an exclusive license under the Schotz patent from Kerope Gulbenkian and has *admittedly* opened another infringing business (R. 268-72). While Penn will not pay a royalty to Respondent under the Sutherland Patent though he has been offered a license (R. 293-4), he does pay a royalty to Kerope Gulbenkian, who has been enjoined from conducting a similar infringement in his own name. *In the case at bar*, Penn filed a counterclaim against Respondent on the Sutherland Patent *and Kerope Gulbenkian joined in this counterclaim*, but the counterclaim was dismissed before trial. (R. 16-21, R. 54-6).

and a file wrapper of one of them.[3] While all of the burdens on questions of validity necessarily rested with them, *Mumm v. Jacob E. Decker & Sons*, 301 U. S. 168, 171 (1937), they failed for reasons quite obvious in view of their very unsatisfactory proofs (and now complain against their own failure) to offer the Record in the case in which the Second Circuit Court of Appeals overruled the defense of double patenting and to try to distinguish from the facts there involved as set forth in the opinion in that case.

2. No Double Patenting.

The evidence actually introduced on this subject in the cases at bar firmly establishes the conclusion that there was no double patenting. With regard to the salient facts bearing on this matter, we note that the petition and supporting briefs filed by our opponents are surprisingly inaccurate and inadequate.

Over a period of years, Sutherland made several different inventions in the art of bleaching flour with peroxides. There are, of course, other means well known to the trade for accomplishing any desired bleaching result in the manufacture of flour, as will appear, for instance,

---

[3] In addition to the Sutherland Patent, these cases involved a patent to Kroeber with regard to which numerous issues were tried, and the Kroeber Patent was held invalid. These cases also involved certain issues against Sutherland that did not bear on validity or infringement and that have not yet been decided by the District Court or the Circuit Court of Appeals, though the cases *have been remanded to the District Court for a decision of those issues.* During the trial, considerable evidence was offered on these various matters; and this fact explains the size of the Record despite a complete lack of evidence from Petitioners on the issue of double patenting except for the few exhibits that we have expressly mentioned.

from the discussion by the Eighth Circuit Court of Appeals in the case of *Naylor* v. *Alsop Process Co.*, 168 F. 911 (1909).

Sutherland secured two patents, one of which contained certain claims drawn to a genus and the other of which contained only claims drawn to a species and to a sub-species of the genus. The former patent is not in suit. The cases at bar do not, in fact, involve any claims except four narrow ones that were drawn specifically to a small sub-species in the latter patent, which sub-species was not even disclosed in the former patent; and these claims in suit are the only claims that can properly be involved in the consideration of double patenting in this litigation. *Pyle Nat. Co.* v. *Lewin*, 92 F. (2nd) 628 (C. C. A. 7th, 1937); *Lion Fastener, Inc.* v. *Hookless Fastener Co.*, 72 F. (2nd) 985 (3 C. C. A. 3rd, 1934).

Sutherland filed the application for his first patent on December 12, 1916. This application matured into Patent No. 1,380,334 on May 31, 1921 (R. 361). The patent was later surrendered in return for Reissue No. 16,166, which was granted on July 14, 1925. Reissue No. 16,166 naturally expired on May 31, 1938, which would have been the expiration date for the original Patent No. 1,380,334 (R. 565).

Patent No. 1,380,334 and Reissue No. 16,166 disclosed the basic invention of bleaching flour with peroxides, both organic and inorganic. The specific example furnished by the disclosure was the *inorganic* peroxide known as *hydrogen peroxide*. Under the well-known Rules of the Patent Office, Sutherland was entitled to claim in this application the genus of his invention and *one* species thereof and *one* sub-species of that species. *Patent Office Rule* No. 41; *Ex Parte Eagle*, 1870 C. D. 137. He consequently submitted and obtained claims drawn to the genus of peroxides, the species of *inorganic* peroxides and the sub-species of inorganic peroxides known as *hydrogen peroxide*. He had no claims drawn to *organic* peroxides, much less to some particular *organic* peroxide. (R. 361-8).

The applications on which Patent No. 1,380,334 and Reissue No. 16,166 were granted did not contain any disclosure of the use of *benzoyl peroxide*, which is an *organic* peroxide. After the application for Patent No. 1,380,334 had been filed and was well advanced in the course of prosecution, Sutherland made the remarkable discovery that the use of *minute* quantities of the *powder* known as benzoyl peroxide was particularly efficacious in bleaching flour and would accomplish results very much superior to those obtained from the use of larger quantities of the *liquid* known as hydrogen peroxide or any other inorganic peroxide. This discovery set benzoyl peroxide apart from all of the other numerous chemicals in the large family of peroxides and worked a great change in the art of bleaching flour. (R. 230-1).

Following this discovery or invention, Sutherland filed an application for another patent on November 24, 1920, and his new application matured into Patent No. 1,539,701 in suit on May 26, 1925. Under the established rules of the Patent Office already mentioned, Sutherland was, of course, permitted to prosecute and obtain in Patent No. 1,539,701 a set of claims drawn to the species of *organic* peroxides and the sub-species of *benzoyl peroxide*, to which species and sub-species none of the claims in the application for Patent No. 1,380,334 was drawn or could be drawn. The applications for the two patents were co-pending for a considerable period of time, and cross-references were inserted in each patent for the purpose of establishing sharp lines of division between them. (R. 249, l. 36; 362, l. 48). The same cross-references and the same sharp lines of distinction between the claims involved in the two different prosecutions were carried forward when Reissue No. 16,166 was granted as a substitute for Patent No. 1,380,334; and the Patent Office thus carefully performed its duties at every step. (R. 366, l. 76). *These facts simply present a typical example of an ordinary situation in which*

the Patent Office has first granted a basic patent and then at a later time has very properly granted a more specific or improvement patent to the same inventor in the same art.

The first Patent No. 1,380,334 was surrendered for reissue in 1922, and Reissue No. 16,166 expired on May 31, 1938. Petitioners are consequently entitled now to the free and unrestricted use of hydrogen peroxide and every other inorganic peroxide known to chemistry. These bleaches have never been covered in any manner by the patent in suit. We might add that, since all of the claims at issue in the cases at bar are limited to the use of benzoyl peroxide, Petitioners are even entitled, so far as the claims in suit are concerned and so far as any matter properly before the Court is concerned, to the free and unrestricted use of every organic (as well as every inorganic) peroxide in the entire field of chemistry *with the single exception of benzoyl peroxide, which was not even mentioned or vaguely suggested in Sutherland's first patent or his reissue, and which belongs exclusively to his patent in suit that will not expire until May 26, 1942.*

Under these circumstances, all of the claims in Sutherland's second patent—notably those claims which are in suit and which are restricted to benzoyl peroxide and with which this Court must be exclusively concerned in the cases at bar—cover "a separate invention, distinctly different and independent from that covered by the first patent"; and double patenting has consequently never existed under the doctrine of *Miller* v. *Eagle Manufacturing Company*, 151 U. S. 186 (1870), which has been cited in the brief for Petitioners (p. 14). Numerous other cases dealing with fact situations closely similar to those presented by the cases at bar clearly establish the conclusion that the defense of double patenting must fail. *Traitel Marble Co.* v. *U. T. Hungerford Brass & Copper Co.*, 22 F. (2nd) 259 (C. C. A. 2nd, 1927); *Thomson-Houston Electric Co.* v. *Ohio Brass Co.*, 80 F. 712, 726 (C. C. A. 6th, 1897);

Standard Brands v. *Federal Yeast Corporation*, 38 F. (2nd) 329, 343 (D. C. Md., 1930); *Patents, Inc.* v. *Gillette Safety Razor Co.*, 28 F. Supp. 666, 670 (D. C. Del., 1939).

Petitioners have repeatedly made a statement in their petition and supporting brief to the effect that the District Court before which the cases at bar were tried made a "*finding of fact* that the two Sutherland Patents were for the same invention" (p. 17). Though this bold assertion appears at least a dozen times, and every proposition advanced by Petitioners is predicated thereon, *no supporting reference to the Record is ever furnished at any place.* This seems strange, but the reason is clear. *The District Court did not make any such alleged finding of fact*, as will readily appear from a glance at his Findings of Fact, which have, of course, been printed in the Record. (R. 239-41). Any such opinion by the Trial Court on this subject (necessarily deduced exclusively *from an attempted interpretation of two written documents*) would not in any event be other than *a mere conclusion of law*—an erroneous conclusion of law, as two Circuit Courts of Appeals have decided.

The District Court, as a matter of fact, did not even sustain the defense of double patenting. He did no more than advance in his preliminary *legal opinion* (R. 237) the strange view that Sutherland's second patent *expired* when the reissue of his first patent expired—which was, of course, impossible as a matter of law. This legal conclusion with regard to *expiration dates* was evidently based on an erroneous impression to the effect that Reissue No. 16,166, which expired on May 31, 1938, was a reissue of Sutherland's *second* patent *rather than* a reissue of his *first* patent. (R. 237). This error has been corrected by the decision of the Fifth Circuit Court of Appeals.

Petitioners have placed great emphasis in their brief (p. 12) on a comparison between Claim 10 of Sutherland's

Patent No. 1,539,701 at bar, and Claim 32 of Reissue No. 16,166. There are many complete answers to the argument thus advanced. In the first place, these claims are not in suit and their status cannot have any bearing on the question as to whether the claims that are actually in suit do involve double patenting. *Pyle Nat. Co.* v. *Lewin, supra; Lion Fastener, Inc.* v. *Hookless Fastener Co., supra.* In the second place, Claim 10 of Patent in suit No. 1,539,701 is limited to the use of a "true peroxide *as such*", and this phrase has been defined by the specifications of the patent (R. 249, l. 4), to mean a dry or powdered peroxide (like benzoyl peroxide) as distinguished from liquid peroxides (like hydrogen peroxide and other inorganic peroxides)—all with the result that Claim 10 of Patent No. 1,539,701 constitutes a claim to a species, while Claim 32 of Reissue No. 16,166 constitutes a claim to a genus. In the third place, Claim 10 of Patent No. 1,539,701 (like all of the other claims therein) must be limited by the specifications of the patent to organic peroxides, even to organic peroxides belonging to the acyl group, as set forth in the opinion rendered by the Second Circuit Court of Appeals in the case of *Novadel Process Corporation* v. *J. P. Meyer & Co.*, 35 F. (2nd) 697, 700 (1929); and this fact further distinguishes the claim from the broad and generic claim 32 of Reissue No. 16,166. In the fourth place, Claim 32 of Reissue No. 16,166 was granted for the first time at the date of the reissue on July 14, 1925, and consequently came into existence subsequent to Claim 10 of Patent No. 1,539,701, which was granted on May 26, 1925—all with the result that, under the doctrine announced by this Court in the case of *The Barbed Wire Patent*, 143 U. S. 275, 281 (1892), Claim 32 of the subsequent Reissue No. 16,166 would fall rather than Claim 10 of the earlier Patent in suit No. 1,539,701, *if* there were any double patenting.

With a similar disregard for pertinent facts,[4] Petitioners have asserted in their petition (p. 2) that the Sutherland Patent in suit could have been issued on January 24, 1921 (i. e., two months after the filing date), but "Respondent deliberately refrained from allowing this application to issue as a patent for a period of more than four years thereafter, to thereby prolong the monopoly". The application was only in its initial stages on the date mentioned and was subsequently prosecuted through a number of office actions. More than half of the claims that appear in the patent were proposed and debated and finally granted subsequent to the date of January 24, 1921, and other claims were amended in important respects. The attempted stricture on Respondent, or rather on one of Respondent's predecessors in title, is consequently not justified. (Dx. 5, Physical).

3. The Public Importance.

Petitioners have erroneously stated that this litigation involves a matter of "great public importance". As support for their thesis, they rely on the fact that the patent in suit relates to one of the steps sometimes employed in the manufacture of a certain type of flour. We should observe, however, that the royalty which has always been charged by Respondent under its patent in suit that is now approaching expiration has *only* been thirty cents per pound of bleaching compound and that this bleaching com-

---

[4] Petitioners have stated in their petition (p. 3) that the cost of the bleaching composition sold by Petitioner Penn represents a saving of 66-2/3% to the millers as compared with the cost of the bleaching composition sold by Respondent. This is an exaggeration evidently made for some ulterior purpose. The ratio is $1.25 to $1.95, which means that Petitioner Penn has raided Respondent's market with a 35% reduction in cost. (R. 241).

pound is *only* used in very minute quantities—all with the net result that the royalty is *only* about one cent per barrel of flour or even less in some cases. (R. 217). The average person in the United States eats considerably less than one barrel of bleached flour per annum; and his royalty is, therefore, considerably less than one cent per annum, in the event that his flour has been bleached by Respondent's process. As a matter of fact, almost one-half of the mills in the United States employ other methods of bleaching that are not covered by Respondent's patent (R. 241), and the statement in Petitioners' brief (p. 11) to the effect that "the subject matter of this case consists of a necessary and universally used treatment of flour" is not correct. These facts show that the patent relates to a narrow and competitive art and that the true measure of public importance is quite small.

Conclusion.

For all of the foregoing reasons, we submit that the petition for a writ of certiorari in these cases should be refused.

Respectfully submitted,

DRURY W. COOPER,
BRADY COLE,
LOREN N. WOOD,
Attorneys for Respondent.

Dated: August 15, 1941.